OFFICE OF ENTERPRISE COMPLIANCE
QUARTERLY REPORT ON 2009 PLANNED ACTIVITIES
FIRST QUARTER

I. INVESTMENTS BUSINESS LINE

Activities and Goals for the Upcoming Year and Current Status

	Planned Activity	**Target Date**	**Q1 09**	**Q2 09**	**Q3 09**	**Q4 09**
I-1	Continue monitoring and conducting periodic review of proxy voting records and trends.	Third Quarter	🟢			
I-2	Update compliance procedures manual for Investment Compliance Area Manager (CAM).	Fourth Quarter	🟢			
I-3	Partner with Investments Office (INVO) to continue to research and review available automated tools for commodity and investment compliance.	Fourth Quarter	🟢			
I-4	Partner with Real Estate Asset Class staff to complete development and testing of the AREIS platform.	Third Quarter	🟢			
I-5	Partner with INVO, OFAS and LEGO to develop new processes for Alternative Investment Management (AIM), Real Estate Infrastructure and Forestland.	Third Quarter	🟢			
I-6	Partner with INVO to perform ongoing monitoring of the Corporate Governance automated proxy voting platform.	Ongoing	🟢			
I-7	Continue to monitor and report Fixed Income and Global Equity compliance violations.	Ongoing	🟢			
I-8	Support INVO efforts to update and prioritize processes that require compliance monitoring using Compliance Risk Assessment results and list of Division Key Processes.	Ongoing	🟢			

Legend: 🟢 = On target or trending to target, ▽ = Need to watch trend, 🟥 = Senior management attention

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II.   Health Business Line

**Activities and Goals for the Upcoming Year and Current Status**

	Planned Activity	**Target Date**	**Q1 09**	**Q2 09**	**Q3 09**	**Q4 09**
H-1	Work with the Health Benefits Branch (HBB) to identify applicable laws, rules, regulations and policies that apply to the Health Business Line and update the HBB regulatory Matrix and Health Governance Framework, as appropriate.	Third Quarter	🟢			
H-2	Develop a Health Compliance Manual, including procedures for monitoring and reporting Health Compliance.	Fourth Quarter	🟢			
H-3	Support HBB efforts to update and prioritize processes that require compliance monitoring using Compliance Risk Assessment results and list of Division Key Processes.	Fourth Quarter	🟢			
H-4	Research available automated tools to monitor and report on compliance activities in the health business line.	Ongoing	🟢			
H-5	Support efforts by HBB and the Office of Audit Services, to work with business lines enterprise-wide to mitigate or resolve HIPAA audit findings identified in the HIPAA Privacy and HIPAA security compliance reviews.	Ongoing	🟢			
H-6	Monitor and report Health compliance violations.	Ongoing	🟢			
H-7	Provide education and outreach through compliance and ethics training for HBB staff.	Ongoing	🟢			
H-8	Identify best practices in the health industry and related industries that would benefit the Health compliance monitoring program.	Ongoing	🟢			

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III.   Pension Business Line

Activities and Goals for the Upcoming Year and Current Status

	Planned Activity	**Target Date**	**Q1 09**	**Q2 09**	**Q3 09**	**Q4 09**
P-1	Continue to work with the pension business line to assess risk of policies, rules, and regulations, and determine compliance exposures and the impact on CalPERS of non-compliance.	Ongoing	🟢			
P-2	Develop monitoring and reporting tools for pension and retirement compliance.	Ongoing	🟢			
P-3	Work with the Member and Benefit Services Branch (MBSB) and the Actuarial and Employer Services Branch (AESB) to identify applicable laws, rules, regulations, and policies to develop a comprehensive governance framework.	Ongoing	🟢			
P-4	Monitor and assist MBSB and AESB with Delegation of Authority Decision Making Guide.	Ongoing	🟢			
P-5	Support MBSB and AESB efforts to update and prioritize processes that require compliance monitoring using Compliance Risk Assessment results and list of Division Key Processes.	Ongoing	🟢			

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IV. ENTERPRISE BUSINESS LINE

Activities and Goals for the Upcoming Year and Current Status

	Planned Activity	**Target Date**	**Q1 09**	**Q2 09**	**Q3 09**	**Q4 09**
E-1	Partner with Office of Audit Services (OFAS) and Information Security Office (ISOF) to ensure risk assessment activities are appropriately integrated and coordinated.	Ongoing	🟢			
E-2	Assist Enterprise efforts to identify all security and privacy activities that may impact the security and confidentiality of CalPERS physical, informational, or financial assets.	Ongoing	🟢			
E-3	Partner with LEGO, OFAS and HRSD to develop and implement education and awareness plan to educate, monitor and report incompatible activities.	Third Quarter	🟢			
E-4	Upon approval of Executive Management and in collaboration with Audits, continue efforts to develop an Ethics Help-Line for complaints. Include issue escalation and reporting process.	Third Quarter	🟢			
E-5	Recruit and hire a Compliance Area Manager for the Enterprise business lines.	Fourth Quarter	🟢			
E-6	Continue to review existing policies in compliance with applicable laws and rules for Enterprise business lines.	Ongoing	🟢			
E-7	Review previous audit reports of Enterprise business lines.	Ongoing	🟢			
E-8	Research and model "best practices" and tools in compliance for related lines of business.	Ongoing	🟢			
E-9	ECOM will issue compliance bulletins on an as needed basis on new compliance-related developments that need to be communicated to affected employees.	Ongoing	🟢			
E-10	Enhance CalPERS' online training tools to reinforce compliance education and awareness.	Ongoing	🟢			
E-11	Support Enterprise efforts to update and prioritize processes that require compliance monitoring using Compliance Risk Assessment results and list of Division Key Processes.	Ongoing	🟢			

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